

Sainsbury's



official partner of the Paralympic Games

Stephen McPartland MP
House of Commons
London
SW1A 0AA



Justin King CBE
Group Chief Executive

Sainsbury's Supermarkets Ltd
33 Holborn
London
EC1N 2HT

www.sainsburys.co.uk

Tuesday 27th November 2012

Dear Mr McPartland,

Thank you for your letter dated 19th November concerning corporate tax transparency.

Sainsbury's is a domestic, UK based company and we therefore pay our corporation tax here in the UK. We provide information about our corporate tax in our annual accounts which are available on our website.

In a 2011 study by Price Waterhouse Coopers, we were ranked the 11th highest UK tax payer in terms of total tax contribution. In the year to March 2012, we paid £82,000,000 in corporation tax.

We are not an international company so all of our trading profit is subject to corporate tax in the UK, unlike international companies. However, rather than developing a new international accountancy standard, which will take a long time, I strongly believe that consumers are best placed to encourage companies to pay a fair amount of tax in the UK. Consumers can elect which companies they shop with and, if they don't believe a company is fairly contributing to society, can vote with their wallet. This is the quickest and most powerful way in which to encourage a business to change their practices.

I hope this reassures you of our commitment to being a responsible retailer and making a positive difference to the UK, and the communities in which we serve.

Yours sincerely,

Justin King

Registered office as above
Registered number 3261722 England
A subsidiary of J Sainsbury plc



Peter Mather

Group Regional Vice President, Europe
& Head of Country, UK

BP p.l.c.
1 St James's Square
London
SW1Y 4PD
United Kingdom

10 December 2012

Mr S McPartland MP
House of Commons
London
SW1A 0AA



Dear Mr McPartland

Thank you for your letter of 19 November to Bob Dudley, regarding tax transparency which has been passed to me as Group Regional Vice President, Europe and Head of Country, UK.

We work with many governments, non-governmental organisations and international agencies to improve transparency in revenue flows from oil and gas activities in resource-rich countries, so that citizens of those countries have the information and institutional means to hold public authorities accountable for the way they spend revenues.

We believe that tax systems should balance the generation of tax revenues with the encouragement of business investment through simple and efficient systems designed to allow competitiveness, while maintaining transparency and good governance in business and government. The quality of tax policy and the tax administration are of equal importance. We are committed to complying with tax laws in a fully responsible manner both to shareholders and governments, effectively managing tax risk and engaging in honest and constructive relationships.

The taxes that we pay are a significant part of our economic contribution to the countries in which we operate. In 2011, we paid \$16 billion in corporate income and production taxes, compared with a \$12 billion total in 2010 and \$10 billion total in 2009. It is important to recognise that we also bear other taxes such as import and export taxes, employers' taxes, withholding taxes and indirect taxes. In addition, we collect then pay to governments VAT and sales taxes, payroll taxes and withholding taxes which in total are greater than taxes borne by us.

As a founding member of the Extractive Industries Transparency Initiative (EITI) and an alternate member of the initiative's board, we work with

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official partner of the
Olympic and Paralympic Games

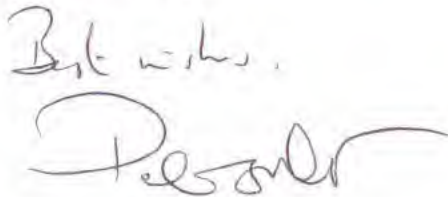
Registered in England and Wales: No. 102498
Registered Office: 1 St James's Square
London SW1Y 4PD

governments, non-governmental organisations and international agencies on increasing transparency of revenue flows. We have been active in our support of the country-level efforts towards EITI certification in countries where we operate.

We are also participating in consultations on new and proposed revenue transparency reporting requirements in the US and Europe for companies in the extractive industries. We will fully comply with the applicable mandatory disclosure regulations when they come into effect. We believe that these measures will provide the regulatory basis to deliver enhanced levels of transparency for the extractive industries sector and that a new accounting standard is not required. The additional information listed in your letter is often routinely provided to fiscal authorities.

We urge Governments and Civil Society organisations to focus on capacity building in relation to the Tax Administrations in developing countries, and to consider the role that multinational companies can play in this effort. This would be a more effective way of identifying and dealing with companies that engage in unacceptable tax planning.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Peter Mather', with a stylized, flowing script.

Peter Mather
Group Regional Vice President, Europe & Head of Country, UK

Mr Stephen McPartland MP
House of Commons
London
SW1A 0AA

10 December 2012



Dear Mr McPartland,

I wanted to thank you for your letter of 19th November on corporate tax transparency.

At Barclays we take our tax obligations very seriously. Regarding your first question, we support corporate tax transparency. As a demonstration of our commitment, we have significantly increased our tax disclosures in our Citizenship Report, which is updated annually to report on Barclays progress. Our Citizenship Report is available on our website (please see www.barclays.com/citizenship) and includes an extensive commentary on our tax position within the section dealing with 2011/12 challenges. This additional level of tax transparency that we provide goes considerably further than current disclosure requirements.

I am also pleased to say that the transparency of our tax disclosures has been recognised in the Building Public Trust Awards, where Barclays received a "Highly Commended" award for its tax reporting in 2010/2011.

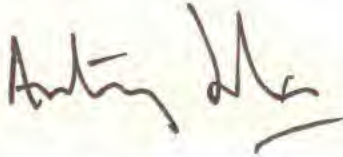
Regarding your second question, we would need to consider carefully any proposal to establish a new international accounting standard with the level of detail your letter suggests. Without uniformity among accounting standards or tax rules by country, together with specialized tax and accounting rules for different industries, there is real risk that such a proposal may add confusion to readers, rather than clarity. We therefore encourage companies to be as transparent as we in explaining their unique tax affairs.

As a UK incorporated bank, our main tax authority is HM Revenue and Customs (HMRC). In both 2010 and 2011, our UK taxes borne were £1.4bn, with UK corporation tax of £300m in 2011. However, our UK corporation tax figure cannot be compared against our overall, global profit before tax in 2011,

because a significant portion of that profit was earned via operations outside of the UK and is generally, therefore, not subject to tax in the UK. Barclays profit from UK activities in 2011, against which the corporation tax figure can reasonably be calculated, was approximately £1bn.

I hope that the information in response to your query is helpful and demonstrates our commitment to corporate tax transparency.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Antony Jenkins', with a stylized flourish at the end.

Antony Jenkins
Group Chief Executive, Barclays Bank plc

30th November 2012

Our ref: DP/gm

Stephen McPartland MP
House of Commons
London
SW1A 0AA



Dear Mr McPartland

Tax Justice Bus Tour

Thank you for your letter of this month regarding the Tax Justice Bus Tour.

As a company that is headquartered in the UK, we too are concerned about the tax transparency of companies which are headquartered overseas but have significant economic activity in the UK.

Morrisons is one of the biggest corporation tax payers in the UK, paying £281 million last year. We want a level playing field where all companies pay their fair share of corporation tax.

We believe it is right that we, and companies like Morrisons, should pay for the services on which we all depend. Tax calculated on economic activity that is based in the UK should stay here.

We would like to see action to ensure that a level playing field exists. In particular, a first step from the Government would be a requirement that every company that operates in the UK should disclose its corporation tax payments. We believe that this will encourage those companies that are concerned about their reputation with the wider public to ensure they pay their fair share.

We also recommend closer scrutiny of transfer payments to overseas headquarters. This transfer pricing is based on OECD guidelines but it would be helpful if officials could look again at the way these guidelines are implemented.

We urge you to put these points to your colleague, the Chancellor of the Exchequer.

Yours sincerely

DALTON PHILIPS
Chief Executive

Stephen A M Hester
Group Chief Executive

4th December 2012

Stephen McPartland MP
House of Commons
London
SW1A 0AA



 **RBS**
The Royal Bank of Scotland Group

Gogarburn
Edinburgh
EH12 1HQ


www.rbs.com

Thank you for your recent letter regarding the campaign to promote corporate tax transparency. RBS takes the issue of corporate tax disclosure seriously, and as a company we, and our employees, contribute significant amounts to governments around the world through taxation.

Our annual tax payments in the UK are outlined in our Annual Report and Accounts and in our Sustainability Report. We recognise that a range of stakeholders have an interest in this, and work hard to understand their concerns. Earlier this year, for example, members of the RBS Board and senior executives who sit on our Group Sustainability Committee met with both Transparency International and the UK Tax Justice Network to discuss a range of issues, including transparency, low tax jurisdictions and the merits of country-by-country reporting.

While we continually review levels of disclosure, we believe that country-by-country reporting is of most value where companies are operating in developing nations which may have less sophisticated tax regimes. The RBS Group does not have significant operations in such countries and the vast majority of our cashflows come through well established jurisdictions, where we transparently meet all our local obligations regarding tax.

As a company, we were one of the first signatories to the UK voluntary Tax Code of Conduct ('the Code') and adhere to both the letter and spirit of the law. This includes our support of the commitment to being open and transparent in terms of our operations and taxation payments. The Group policy in this area is overseen by our Group Internal Tax department and is subject to external and internal audit. This department has extensive experience combined with a detailed knowledge of the business; it therefore has the knowledge and approach to ensure we comply with the Code. The Code is something we take seriously and view as part of our wider fiduciary responsibility to our shareholders.

I hope this helps answer your query. If you'd like to know more, we would be more than happy to arrange a meeting to discuss the issues further.

The Royal Bank of Scotland Group plc
Registered in Scotland No 45551
Registered Office: 36 St Andrew Square
Edinburgh EH2 2YB

Mr S. McPartland
Member of Parliament for Stevenage
House of Commons
London
SW1A 0AA



27th November 2012

Dear Mr McPartland

Thank you for your letter of 19th November concerning corporate tax. The first fact for you to know is that, in 2011, the Aggreko group's effective corporation tax rate for the year was 28.5% which you will immediately recognize as being 4.5 percentage points above the UK standard rate of 24%. I think that should be evidence enough for you that we are not indulging in what you call "tax dodging". You may also be interested to know that, whilst only 5% of our revenues arise in the UK, 10% of our employees work here; 20% of our payroll costs are in the UK, and 30% of our corporate taxes are paid to HMRC. We go significantly above and beyond the statutory requirements in disclosing where our corporate taxes are paid, and I would refer you to pages 41 and 42 of our 2011 Annual Report for further details.

We believe, therefore, that we are on the side of the angels as far as corporate tax transparency is concerned. However, I think the idea of forcing companies to provide "financial information on a country by country basis, including the names of all companies belonging to it and trading in each country, its financial performance in each country and tax liability in each country" is a lousy idea and would be unworkable for a company such as ours which trades in over 100 countries. We are already facing an uphill battle to keep our Annual Reports useful to and readable by investors; including the information you ask for would be completely impractical. We would also be extremely reluctant to let our competitors, or our customers, see our trading accounts in every country in which we do business.

I am sorry if this answer is not what you wanted to hear, but I hope I will get some Brownie points for having taken the time to answer your letter fully.

Yours sincerely

Rupert Soames, OBE
Chief Executive

Aggreko plc
8th Floor, Aurora
120 Bothwell Street
Glasgow G2 7JS

CAPITA

Stephen McPartland MP
House of Commons
London
SW1A 0AA



3 December 2012

Dear Mr McPartland

Thank you for your letter to Paul Pindar. I am responding to this on behalf of Capita plc.

Capita is entirely supportive of tax transparency. As a consequence of our close and transparent relationship with HMRC, we are already treated as a low-risk taxpayer in terms of complying with our tax obligations and it is our intention to maintain this level of trust that HMRC already confers upon us. Capita also publishes in its annual report and accounts how much the group's tax charge is reduced as a result of carrying on business in lower tax jurisdictions and this was £6.7m in 2011. It is important to note that this reduction is entirely attributable to arm's length trading, primarily with third-party clients, in these jurisdictions. The Capita group does not enter into any arrangements with affiliates for the purposes of securing a reduction of UK taxes.

Finally Capita is both comfortable and supportive of your interest in establishing a new international accounting standard along the lines proposed. The only obvious caveat is that we would not expect any such change in practice or regulation to result in any disproportionate increase in effort and cost associated with filing accounts and the fees for audit.

Yours sincerely

Gordon Hurst
Group Finance Director

IG/VB
29th November 2012

Stephen McPartland MP
House of Commons
London
SW1A 0AA



Dear Mr McPartland

Thank you for your recent letter regarding tax and "tax dodging" as you put it.

Hargreaves Lansdown was recently named as one of only two FTSE 100 companies to not employ offshore companies as part of its corporate tax structure. We pay all our UK taxes in full, last year's marginal rate of payment of 26% being closely equivalent to the published full UK corporate tax rate. Hargreaves Lansdown PLC, the directors, founders and employees are major contributors to the UK Exchequer. Sometimes we wonder what we get back for it but there is no doubt at Hargreaves Lansdown we pay our dues in full.

I would not support a new international accounting standard regarding corporate tax. The focus should be on making companies that fail to pay tax pay up, and then seeking to spend the money received wisely, not asking companies to write about it. Annual reports are already weighty tomes which mainly line the pockets of accountants and lawyers. Our annual report is already over 90 pages long as a result of existing corporate disclosure requirements. There is little interest in reading it, despite our efforts to try and make it as interesting as possible and shorten it. I think we sent out 380 copies this year. I hardly think the threat of additional disclosure in the annual report is therefore going to cause a corporate tax revolution.

Making companies undertake additional disclosures would add cost and bureaucracy to businesses, not collect more tax.

There are some very highly paid civil servants who are supposed to be collecting taxes. If they cannot collect the taxes that should be due from corporates that are "dodging" their obligations they should try harder or be given the tools to do so. Alternatively we could have fewer civil servants, which would reduce public sector costs and therefore the need for tax in the first place.

You asked for my views and there they are. You are welcome to publish them.

In the meantime, please be assured Hargreaves Lansdown and its directors will continue to pay our taxes and remain good UK corporate citizens.

Yours sincerely


IAN GORHAM
CHIEF EXECUTIVE OFFICER

20 December 2012

IMI



Mr Stephen McPartland MP
House of Commons
London
SW1A 0AA

Dear Mr McPartland

Thank you for your letter dated 19 November 2012 sent to our CEO who has asked me to respond.

IMI is already committed to tax transparency and co-operates fully with the tax authorities in all the jurisdictions in which we operate. We also provide substantial financial information in the audited accounts of our subsidiary companies around the world and, of course, provide full disclosure of our tax affairs in the local tax returns.

I would also comment that the tax laws of many countries apply to our international business and it is important that any one country's specific tax laws are carefully considered in an international context. The alleged abuses by a few companies should not unduly impact on the many other international organisations that have developed successful and legal international trade arrangements over many years.

HM Treasury has significantly improved the UK Business climate (including reform of corporate tax laws) in recent years to attract business to the UK to grow the international status of this country as a great location for business. This will substantially improve UK employment, international competitiveness of UK business, support smaller local ancillary UK businesses, and drive UK growth and prosperity. To avail oneself of these valuable incentives the UK offers does indeed lower legitimately the UK corporation tax bill, but should be recognised as a tribute to the UK Government's foresight of expanding UK trade, rather than being discredited. It should not therefore be forgotten that UK companies pay and collect many different types of taxes for the Exchequer, not just corporation tax and their activities also provide far broader benefits to the UK. These initiatives by HM Treasury are therefore to be welcomed and help the UK position itself strongly in Europe, and indeed on the world stage, in what is a very fragile global economy.

I am not convinced that there is a need for the new international accounting standard to which you allude.

Yours sincerely

Douglas Hurt
Finance Director

cc Martin Lamb

21 December 2012



Mr Stephen McPartland MP
House of Commons
London
SW1A 0AA



Inmarsat plc
99 City Road
London EC1Y 1AX
United Kingdom
www.inmarsat.com

Dear Mr McPartland

Tax Justice Bus Tour

Thank you for your letter of the 19th November addressed to our CEO Mr Rupert Pearce. He has referred it to me for a response.

First, we were surprised to receive your letter as Inmarsat plc is not a member of the FTSE 100. However I personally am a member of The Hundred Group of Finance Directors and therefore received a copy of Mr Andrew Bonfield's response dated 17th December to your letter.

I am writing in support of the comments made in Mr Bonfield's letter. I would also add that we support financial reporting transparency and comply with the disclosure requirements of International Financial Reporting Standards as well as all relevant legislation in the countries in which we operate.

Inmarsat plc contributed a total of £63m in taxes to the UK government in 2011 on a UK pre-tax profit of £316m; at the same time we are investing over £1bn in launching four new satellites which will create over 200 new jobs in Inmarsat alone, as well as providing a significant amount of work for the European satellite industry.

We do not support a new accounting standard requiring country-by-country disclosure. This information is of little relevance to the vast majority of our shareholders and other stakeholders; the existing annual report is already overly long and complicated and has far too many bureaucratic and irrelevant disclosures. We see little value in adding to this disclosure. The detailed country-by-country information you suggest we disclose is already reported to individual tax authorities in the countries in which we operate

Yours sincerely

A handwritten signature in black ink, appearing to read "Rick Medlock".

Rick Medlock
Chief Financial Officer